



USAID
FROM THE AMERICAN PEOPLE

AFGHANISTAN

SUCCESS STORY

Making Tax Payments a Little Easier

The Herat Medium Taxpayer Office is becoming a model of good Afghan governance



Photo : USAID/EGGI

New managers at the Herat Medium Taxpayer Office display their certificates after completing a USAID-funded management training course.

With USAID support, Afghan taxpayer compliance has improved. Taxpayers filed ninety-eight percent of the forms issued by the Herat Medium Taxpayer Office from July to September 2010.

Nine months ago, there was no service to assist Afghan taxpayers with completing tax forms and clarifying complicated tax requirements. Visiting the Herat Medium Taxpayer Office today, taxpayers are met by skilled staff ready to provide tax education and filing assistance.

After recently completing USAID's management training course, managers, auditors, and accountants in that office are now better prepared to assume full responsibility of operations and provide taxpayer outreach services with less advisor oversight, and conduct their work competently, professionally, and fairly.

"The taxpayer staff really works hard, and every time I go to their office, I am always welcomed with a smile and am treated fairly with all my questions answered," says Jawad Hashemzada, a business owner and taxpayer in Herat City.

To maximize revenue collection, the new tax administration approach is built around a self-assessment system emphasizing education and competent service delivery. This effort contributes to, and is uniquely aligned with, improved economic governance and revenue collection at the provincial level, boosting available funds to provide enhanced public services.

USAID's Economic Growth and Governance Initiative project has worked with the Afghan government to establish the taxpayer office, fight corruption, and implement accurate collecting, accounting and audit functions.

The successful reform program and taxpayer office restructuring achieved in Herat Province will be replicated in other key provincial hubs in the coming months. With revenues on the rise, the taxpayer office effort makes meaningful contributions to provincial fiscal sustainability goals and demonstrates increasing strength in Afghanistan's public treasury management systems.